

AN ACT

relating to the organization, governance, duties, and functions of the Texas Department of Motor Vehicles.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2301.002, Occupations Code, is amended by adding Subdivisions (1-a) and (14-a) and amending Subdivisions (11), (16), (23), and (32) to read as follows:

(1-a) "Ambulance manufacturer" means a person other than the manufacturer of a motor vehicle chassis who, before the retail sale of the motor vehicle, performs modifications on the chassis that result in the finished product being classified as an ambulance.

(11) "Distributor" means a person, other than a manufacturer, who:

(A) distributes or sells new motor vehicles to a franchised dealer; or

(B) enters into franchise agreements with franchised dealers, on behalf of the manufacturer.

(14-a) "Fire-fighting vehicle manufacturer" means a person other than the manufacturer of a motor vehicle chassis who, before the retail sale of the motor vehicle, performs modifications on the chassis that result in the finished product being classified as a fire-fighting vehicle.

(16) "Franchised dealer" means a person who:

(A) holds a franchised motor vehicle dealer's license issued by the board under this chapter and Chapter 503, Transportation Code; and

(B) is engaged in the business of buying, selling, or exchanging new motor vehicles and servicing or repairing motor vehicles under a manufacturer's warranty at an established and permanent place of business under a franchise in effect with a manufacturer or distributor.

(23) "Motor vehicle" means:

(A) a fully self-propelled vehicle having two or more wheels that has as its primary purpose the transport of a person or persons, or property, on a public highway;

(B) a fully self-propelled vehicle having two or more wheels that:

(i) has as its primary purpose the transport of a person or persons or property;

(ii) is not manufactured for use on public streets, roads, or highways; and

(iii) meets the requirements for ~~[has been issued]~~ a certificate of title;

(C) an engine, transmission, or rear axle, regardless of whether attached to a vehicle chassis, manufactured for installation in a vehicle that has:

(i) the transport of a person or persons, or property, on a public highway as its primary purpose; and

(ii) a gross vehicle weight rating of more than 16,000 pounds; or

(D) a towable recreational vehicle.

(32) "Towable recreational vehicle" means a nonmotorized vehicle that:

(A) was originally designed and manufactured primarily to provide temporary human habitation in conjunction with recreational, camping, or seasonal use;

(B) meets the requirements to be issued a certificate of title and registration by ~~[is titled and registered with]~~ the department as a travel trailer through a county tax assessor-collector;

(C) is permanently built on a single chassis;

(D) contains at least one life support system;

and

(E) is designed to be towable by a motor vehicle.

SECTION 2. Section 2301.153(a), Occupations Code, is amended to read as follows:

(a) Notwithstanding any other provision of law, the board has all powers necessary, incidental, or convenient to perform a power or duty expressly granted under this chapter, including the power to:

(1) initiate and conduct proceedings, investigations, or hearings;

(2) administer oaths;

(3) receive evidence and pleadings;

(4) issue subpoenas to compel the attendance of any person;

(5) order the production of any tangible property,

1 including papers, records, or other documents;
2 (6) make findings of fact on all factual issues
3 arising out of a proceeding initiated under this chapter;
4 (7) specify and govern appearance, practice, and
5 procedures before the board;
6 (8) adopt rules and issue conclusions of law and
7 decisions, including declaratory decisions or orders;
8 (9) enter into contracts;
9 (10) execute instruments;
10 (11) retain counsel;
11 (12) use the services of the attorney general and
12 institute and direct the conduct of legal proceedings in any forum;
13 (13) obtain other professional services as necessary
14 and convenient;
15 (14) impose a sanction for contempt;
16 (15) assess and collect fees and costs, including
17 attorney's fees;
18 (16) issue, suspend, or revoke licenses;
19 (17) prohibit and regulate acts and practices in
20 connection with the distribution and sale of motor vehicles or
21 warranty performance obligations;
22 (18) issue cease and desist orders in the nature of
23 temporary or permanent injunctions;
24 (19) impose a civil penalty;
25 (20) enter an order requiring a person to:
26 (A) repurchase property under Section 2301.465
27 and pay costs and expenses of a party in connection with an order

1 entered under that section [~~Section 2301.465~~];

2 (B) perform an act other than the payment of
3 money; or

4 (C) refrain from performing an act; and

5 (21) enforce a board order.

6 SECTION 3. Section 2301.154, Occupations Code, is amended
7 to read as follows:

8 Sec. 2301.154. DELEGATION OF POWERS. (a) The director may
9 delegate any of the director's powers to one or more of the
10 division's employees.

11 (b) The board by rule may delegate any power relating to a
12 contested case hearing, other than the power to issue a final order,
13 to:

14 (1) one or more of the board's members;

15 (2) the executive director;

16 (3) the director; or

17 (4) one or more of the department's employees.

18 (c) The board by rule may delegate the authority to issue a
19 final order in a contested case hearing to:

20 (1) one or more of the board's members;

21 (2) the executive director; or

22 (3) the director of a division within the department
23 designated by the board or the executive director to carry out the
24 requirements of this chapter.

25 (d) The board by rule may delegate any power relating to a
26 complaint investigation to any person employed by the department.

27 SECTION 4. Section 2301.252(b), Occupations Code, is

1 amended to read as follows:

2 (b) For purposes of this section:

3 (1) the make of a conversion[~~7-ambulance, or~~
4 ~~fire-fighting vehicle~~] is that of the chassis manufacturer; [~~and~~]

5 (2) the make of a motor home is that of the motor home
6 manufacturer;

7 (3) the make of an ambulance is that of the ambulance
8 manufacturer; and

9 (4) the make of a fire-fighting vehicle is that of the
10 fire-fighting vehicle manufacturer.

11 SECTION 5. Sections 2301.257(a), (b), and (c), Occupations
12 Code, are amended to read as follows:

13 (a) An application for a dealer's license must be on a form
14 prescribed by the department [~~board~~]. The application must
15 include:

16 (1) the information required by Chapter 503,
17 Transportation Code; and

18 (2) information relating to the applicant's financial
19 resources, business integrity, business ability and experience,
20 franchise if applicable, physical facilities, vehicle inventory,
21 and other factors the department [~~board~~] considers necessary to
22 determine the applicant's qualifications to adequately serve the
23 public.

24 (b) If a material change occurs in the information included
25 in an application for a dealer's license, the dealer shall notify
26 the department [~~director~~] of the change within a reasonable
27 time. The department [~~director~~] shall prescribe a form for the

1 disclosure of the change.

2 (c) A franchised dealer must apply for a separate license
3 under this section for each separate and distinct dealership
4 showroom as determined by the department [~~board~~]. Before changing
5 a location, a dealer must obtain a new license for that location.

6 SECTION 6. Section 2301.258, Occupations Code, is amended
7 to read as follows:

8 Sec. 2301.258. GENERAL REQUIREMENTS FOR APPLICATION FOR
9 MANUFACTURER'S, DISTRIBUTOR'S, CONVERTER'S, OR REPRESENTATIVE'S
10 LICENSE. An application for a manufacturer's, distributor's,
11 converter's, or representative's license must be on a form
12 prescribed by the department [~~board~~]. The application must include
13 information the department [~~board~~] determines necessary to fully
14 determine the qualifications of an applicant, including financial
15 resources, business integrity and experience, facilities and
16 personnel for serving franchised dealers, and other information the
17 department [~~board~~] determines pertinent to safeguard the public
18 interest and welfare.

19 SECTION 7. Section 2301.261(a), Occupations Code, is
20 amended to read as follows:

21 (a) An application for a vehicle lessor's license must:

- 22 (1) be on a form prescribed by the department [~~board~~];
23 (2) contain evidence of compliance with Chapter 503,
24 Transportation Code, if applicable; and
25 (3) state other information required by the department
26 [~~board~~].

27 SECTION 8. Section 2301.262(a), Occupations Code, is

1 amended to read as follows:

2 (a) An application for a vehicle lease facilitator license
3 must be on a form prescribed by the department ~~[board]~~ and contain
4 the information required by the department ~~[board]~~.

5 SECTION 9. Sections 2301.264(c) and (d), Occupations Code,
6 are amended to read as follows:

7 (c) The department ~~[board]~~ may prorate the fee for a
8 representative's license to allow the representative's license and
9 the license of the manufacturer or distributor who employs the
10 representative to expire on the same day.

11 (d) The department ~~[board]~~ may refund from funds
12 appropriated to the department ~~[board]~~ for that purpose a fee
13 collected under this chapter that is not due or that exceeds the
14 amount due.

15 SECTION 10. Sections 2301.301(a), (b), (c), and (e),
16 Occupations Code, are amended to read as follows:

17 (a) Licenses issued under this chapter are valid for the
18 period prescribed by the board ~~[commission]~~.

19 (b) The board ~~[director]~~ may issue a license for a term of
20 less than the period prescribed under Subsection (a) to coordinate
21 the expiration dates of licenses held by a person that is required
22 to obtain more than one license to perform activities under this
23 chapter.

24 (c) The board ~~[commission]~~ by rule may implement a system
25 under which licenses expire on various dates during the year. For
26 a year in which a license expiration date is changed ~~[If a license~~
27 ~~is issued or renewed for a term that is less than the period set~~

1 ~~under Subsection (a)]~~, the fee for the license shall be prorated so
2 that the license holder pays only that portion of the fee that is
3 allocable to the number of months during which the license is
4 valid. On renewal of the license on the new expiration date, the
5 entire license renewal fee is payable.

6 (e) If the board [~~commission~~] prescribes the term of a
7 license under this chapter for a period other than one year, the
8 board [~~commission~~] shall prorate the applicable annual fee required
9 under this chapter as necessary to reflect the term of the license.

10 SECTION 11. Section 2301.302, Occupations Code, is amended
11 to read as follows:

12 Sec. 2301.302. NOTICE OF LICENSE EXPIRATION. The
13 department [~~board~~] shall notify each person licensed under this
14 chapter of the date of license expiration and the amount of the fee
15 required for license renewal. The notice shall be sent [~~mailed~~] at
16 least 30 days before the date of license expiration.

17 SECTION 12. Section 2301.351, Occupations Code, is amended
18 to read as follows:

19 Sec. 2301.351. GENERAL PROHIBITION. A dealer may not:

20 (1) violate a board rule;

21 (2) aid or abet a person who violates this chapter,
22 Chapter 503, Transportation Code, or a rule adopted under those
23 chapters; or

24 (3) use false, deceptive, or misleading advertising
25 relating to the sale or lease of motor vehicles.

26 SECTION 13. Sections 2301.358(a) and (c), Occupations Code,
27 are amended to read as follows:

1 (a) A person who holds a license issued under this chapter
2 may not participate in a new motor vehicle show or exhibition
3 unless:

4 (1) the person provides the department [~~board~~] with
5 written notice at least 30 days before the date the show or
6 exhibition opens; and

7 (2) the department [~~board~~] grants written approval.

8 (c) This section does not prohibit the sale of a towable
9 recreational vehicle, motor home, ambulance, fire-fighting
10 vehicle, or tow truck at a show or exhibition if:

11 (1) the show or exhibition is approved by the
12 department [~~board~~]; and

13 (2) the sale is not otherwise prohibited by law.

14 SECTION 14. Section 2301.401(a), Occupations Code, is
15 amended to read as follows:

16 (a) A manufacturer or distributor shall file with the
17 department [~~board~~] a copy of the current requirements the
18 manufacturer or distributor imposes on its dealers with respect to
19 the dealer's:

20 (1) duties under the manufacturer's or distributor's
21 warranty; and

22 (2) vehicle preparation and delivery obligations.

23 SECTION 15. Section 2301.454(a), Occupations Code, is
24 amended to read as follows:

25 (a) Notwithstanding the terms of any franchise, a
26 manufacturer, distributor, or representative may not modify or
27 replace a franchise if the modification or replacement would

1 adversely affect to a substantial degree the dealer's sales,
2 investment, or obligations to provide service to the public,
3 unless:

4 (1) the manufacturer, distributor, or representative
5 provides written notice by registered or certified mail to each
6 affected dealer and the department [~~board~~] of the modification or
7 replacement; and

8 (2) if a protest is filed under this section, the board
9 approves the modification or replacement.

10 SECTION 16. Section 2301.476(c), Occupations Code, is
11 amended to read as follows:

12 (c) Except as provided by this section, a manufacturer or
13 distributor may not directly or indirectly:

14 (1) own an interest in a franchised or nonfranchised
15 dealer or dealership;

16 (2) operate or control a franchised or nonfranchised
17 dealer or dealership; or

18 (3) act in the capacity of a franchised or
19 nonfranchised dealer.

20 SECTION 17. Section 2301.601(2), Occupations Code, is
21 amended to read as follows:

22 (2) "Owner" means a person who is entitled to enforce a
23 manufacturer's warranty with respect to a motor vehicle, and who:

24 (A) purchased the [a] motor vehicle at retail
25 from a license holder [~~and is entitled to enforce a manufacturer's~~
26 ~~warranty with respect to the vehicle~~];

27 (B) is a lessor or lessee, other than a

1 sublessee, who purchased or leased the vehicle from a license
2 holder; ~~[or]~~

3 (C) is a resident of this state and has
4 registered the vehicle in this state;

5 (D) purchased or leased the vehicle at retail and
6 is an active duty member of the United States armed forces stationed
7 in this state at the time a proceeding is commenced under this
8 subchapter; or

9 (E) is:

10 (i) the transferee or assignee of a person
11 described by Paragraphs (A)-(D); ~~[Paragraph (A) or (B),]~~

12 (ii) a resident of this state; ~~[and]~~

13 (iii) the person who registered the vehicle
14 in this state ~~[entitled to enforce the manufacturer's warranty].~~

15 SECTION 18. Sections 2301.611(a) and (c), Occupations Code,
16 are amended to read as follows:

17 (a) The department ~~[board]~~ shall publish an annual report on
18 the motor vehicles ordered repurchased or replaced under this
19 subchapter.

20 (c) The department ~~[board]~~ shall make the report available
21 to the public and may charge a reasonable fee to cover the cost of
22 the report.

23 SECTION 19. Section 2301.613(a), Occupations Code, is
24 amended to read as follows:

25 (a) The department ~~[board]~~ shall prepare, publish, and
26 distribute information concerning an owner's rights under this
27 subchapter. The retail seller of a new motor vehicle shall

1 conspicuously post a copy of the information in the area where its
2 customers usually pay for repairs.

3 SECTION 20. Section 2301.711, Occupations Code, is amended
4 and to read as follows:

5 Sec. 2301.711. ORDERS AND DECISIONS. [~~a~~] An order or
6 decision of the board must:

7 (1) include a separate finding of fact with respect to
8 each specific issue the board is required by law to consider in
9 reaching a decision;

10 (2) set forth additional findings of fact and
11 conclusions of law on which the order or decision is based; [~~and~~]

12 (3) give the reasons for the particular actions taken;

13 (4) [~~-~~

14 [~~b~~] ~~Except as provided by Subchapter M, the order or~~
15 ~~decision must,~~

16 [~~1~~] be signed by the presiding officer or assistant
17 presiding officer for the board;

18 (5) [~~2~~] be attested to by the director; and

19 (6) [~~3~~] have the seal affixed to it.

20 SECTION 21. Section 2301.803(c), Occupations Code, is
21 amended to read as follows:

22 (c) A person affected by a statutory stay imposed by this
23 chapter may request a hearing [~~initiate a proceeding before the~~
24 ~~board~~] to modify, vacate, or clarify the extent and application of
25 the statutory stay.

26 SECTION 22. Section 501.023, Transportation Code, is
27 amended by amending Subsections (a), (b), and (c) and adding

1 Subsection (e) to read as follows:

2 (a) The owner of a motor vehicle must present identification
3 and apply for a [certificate-of] title as prescribed by the
4 department, unless otherwise exempted by law. To obtain a title,
5 the owner must apply:

6 (1) to the county assessor-collector in the county in
7 which:

8 (A) the owner is domiciled; or

9 (B) the motor vehicle is purchased or encumbered;

10 or [and]

11 (2) if the county in which the owner resides has been
12 declared by the governor as a disaster area, to the county
13 assessor-collector in one of the closest unaffected counties to a
14 county that asks for assistance and:

15 (A) continues to be declared by the governor as a
16 disaster area because the county has been rendered inoperable by
17 the disaster; and

18 (B) is inoperable for a protracted period of time
19 [on a form prescribed by the department].

20 (b) The assessor-collector shall send the application to
21 the department or enter it into the department's titling system
22 within 72 [not later than 24] hours after receipt of [receiving] the
23 application.

24 (c) The owner or a lessee of a commercial motor vehicle
25 operating under the International Registration Plan or other
26 agreement described by Section 502.054 that is applying for a
27 [certificate-of] title for purposes of registration only may apply

1 ~~[must be made]~~ directly to the department. Notwithstanding Section
2 501.138(a), an applicant for registration under this subsection
3 shall pay ~~[the department]~~ the fee imposed by that section. The
4 ~~[department shall send the]~~ fee shall be distributed to the
5 appropriate county assessor-collector ~~[for distribution]~~ in the
6 manner provided by Section 501.138.

7 (e) Applications submitted to the department electronically
8 must request the purchaser's choice of county as stated in
9 Subsection (a) as the recipient of all taxes, fees, and other
10 revenue collected as a result of the transaction.

11 SECTION 23. Chapter 501, Transportation Code, is amended by
12 adding Subchapter I to read as follows:

13 SUBCHAPTER I. ELECTRONIC TITLING SYSTEM

14 Sec. 501.171. APPLICATION OF SUBCHAPTER. This subchapter
15 applies only if the department implements a titling system under
16 Section 501.173.

17 Sec. 501.172. DEFINITIONS. In this subchapter:

18 (1) "Document" means information that is inscribed on
19 a tangible medium or that is stored in an electronic or other medium
20 and is retrievable in perceivable form.

21 (2) "Electronic" means relating to technology having
22 electrical, digital, magnetic, wireless, optical, electromagnetic,
23 or similar capabilities.

24 (3) "Electronic document" means a document that is in
25 an electronic form.

26 (4) "Electronic signature" means an electronic sound,
27 symbol, or process attached to or logically associated with a

1 document and executed or adopted by a person with the intent to sign
2 the document.

3 (5) "Paper document" means a document that is in
4 printed form.

5 Sec. 501.173. ELECTRONIC TITLING SYSTEM. (a) The board by
6 rule may implement an electronic titling system.

7 (b) A record of title maintained electronically by the
8 department in the titling system is the official record of vehicle
9 ownership unless the owner requests that the department issue a
10 printed title.

11 Sec. 501.174. VALIDITY OF ELECTRONIC DOCUMENTS. (a) If
12 this chapter requires that a document be an original, be on paper or
13 another tangible medium, or be in writing, the requirement is met by
14 an electronic document that complies with this subchapter.

15 (b) If a law requires that a document be signed, the
16 requirement is satisfied by an electronic signature.

17 (c) A requirement that a document or a signature associated
18 with a document be notarized, acknowledged, verified, witnessed, or
19 made under oath is satisfied if the electronic signature of the
20 person authorized to perform that act, and all other information
21 required to be included, is attached to or logically associated
22 with the document or signature. A physical or electronic image of a
23 stamp, impression, or seal is not required to accompany an
24 electronic signature.

25 Sec. 501.175. RECORDING OF DOCUMENTS. (a) Under the
26 titling system, the department may:

27 (1) receive, index, store, archive, and transmit

1 electronic documents;

2 (2) provide for access to, and for search and
3 retrieval of, documents and information by electronic means; and

4 (3) convert into electronic form:

5 (A) paper documents that it accepts for the
6 titling of a motor vehicle; and

7 (B) information recorded and documents that were
8 accepted for the titling of a motor vehicle before the titling
9 system was implemented.

10 (b) The department shall continue to accept paper documents
11 after the titling system is implemented.

12 Sec. 501.176. PAYMENT OF FEES BY ELECTRONIC FUNDS TRANSFER
13 OR CREDIT CARD. (a) The department may accept payment by
14 electronic funds transfer, credit card, or debit card of any title
15 or registration fee that the department is required or authorized
16 to collect under this chapter.

17 (b) The department may collect a fee for processing a title
18 or registration payment by electronic funds transfer, credit card,
19 or debit card. The amount of the fee must not exceed the charges
20 incurred by the state because of the use of the electronic funds
21 transfer, credit card, or debit card.

22 (c) For online transactions the department may collect from
23 a person making payment by electronic funds transfer, credit card,
24 or debit card an amount equal to any fee charged in accordance with
25 Section 2054.2591, Government Code.

26 Sec. 501.177. SERVICE CHARGE. If, for any reason, the
27 payment of a fee under this chapter by electronic funds transfer,

1 credit card, or debit card is not honored by the funding
2 institution, or by the electronic funds transfer, credit card, or
3 debit card company on which the funds are drawn, the department may
4 collect from the person who owes the fee being collected a service
5 charge that is for the collection of that original amount and is in
6 addition to the original fee. The amount of the service charge must
7 be reasonably related to the expense incurred by the department in
8 collecting the original amount.

9 Sec. 501.178. DISPOSITION OF FEES. All fees collected
10 under this subchapter shall be deposited to the credit of the state
11 highway fund.

12 Sec. 501.179. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL
13 AND NATIONAL COMMERCE ACT. This subchapter modifies, limits, and
14 supersedes the federal Electronic Signatures in Global and National
15 Commerce Act (15 U.S.C. Section 7001 et seq.) but does not modify,
16 limit, or supersede Section 101(c) of that Act (15 U.S.C. Section
17 7001(c)) or authorize electronic delivery of any of the notices
18 described in Section 103(b) of that Act (15 U.S.C. Section
19 7003(b)).

20 SECTION 24. Section 502.002, Transportation Code, is
21 amended to read as follows:

22 Sec. 502.002. REGISTRATION REQUIRED; GENERAL RULE. (a)
23 Not more than 30 days after purchasing a vehicle or becoming a
24 resident of this state, the [The] owner of a motor vehicle, trailer,
25 or semitrailer shall apply for the registration of the vehicle for:

26 (1) each registration year in which the vehicle is
27 used or to be used on a public highway; and

1 (2) if the vehicle is unregistered for a registration
2 year that has begun and that applies to the vehicle and if the
3 vehicle is used or to be used on a public highway, the remaining
4 portion of that registration year.

5 (b) The application must be accompanied by personal
6 identification as determined by department rule and made in a
7 manner prescribed by [tø] the department:

8 (1) through the county assessor-collector of the
9 county in which the owner resides; or

10 (2) if the county in which the owner resides has been
11 declared by the governor as a disaster area, through the county
12 assessor-collector of a county that is one of the closest
13 unaffected counties to a county that asks for assistance and:

14 (A) continues to be declared by the governor as a
15 disaster area because the county has been rendered inoperable by
16 the disaster; and

17 (B) is inoperable for a protracted period of
18 time.

19 (c) A provision of this chapter that conflicts with this
20 section prevails over this section to the extent of the conflict.

21 (d) A county assessor-collector, a deputy county
22 assessor-collector, or a person acting on behalf of a county
23 assessor-collector is not liable to any person for:

24 (1) refusing to register a motor vehicle because of
25 the person's failure to submit evidence of residency that complies
26 with the department's rules; or

27 (2) registering a motor vehicle under this section.

SECTION 25. Section 502.151, Transportation Code, is amended to read as follows:

Sec. 502.151. APPLICATION FOR REGISTRATION. (a) An application for vehicle registration must:

(1) be made in a manner prescribed and include the information required ~~[on a form furnished]~~ by the department by rule; and

(2) contain a ~~[the]~~ full description ~~[name and address of the owner]~~ of the vehicle as required by department rule ~~[+~~

~~[(3) contain a brief description of the vehicle,~~

~~[(4) contain any other information required by the department, and~~

~~[(5) be signed by the owner].~~

(b) The department shall deny the ~~[For a new motor vehicle, the description of the vehicle must include the vehicle's:~~

~~[(1) trade name,~~

~~[(2) year model,~~

~~[(3) style and type of body,~~

~~[(4) weight, if the vehicle is a passenger car,~~

~~[(5) net carrying capacity and gross weight, if the vehicle is a commercial motor vehicle,~~

~~[(6) vehicle identification number, and~~

~~[(7) date of sale by the manufacturer or dealer to the applicant.~~

~~[(c) An applicant for]~~ registration of a commercial motor vehicle, truck-tractor, trailer, or semitrailer if the applicant:

(1) has a business operated, managed, or otherwise

1 controlled or affiliated with a person who is ineligible for
2 registration or whose privilege to operate has been suspended,
3 including the applicant entity, a relative, a family member, a
4 corporate officer, or a shareholder;

5 (2) has a vehicle that has been prohibited from
6 operating by the Federal Motor Carrier Safety Administration for
7 safety-related reasons;

8 (3) is a carrier whose business is operated, managed,
9 or otherwise controlled or affiliated with a person who is
10 ineligible for registration, including the owner, a relative, a
11 family member, a corporate officer, or a shareholder; or

12 (4) fails to ~~[must]~~ deliver to the county
13 assessor-collector proof of ~~[an affidavit showing]~~ the weight of
14 the vehicle, the maximum load to be carried on the vehicle, and the
15 gross weight for which the vehicle is to be registered. [The
16 ~~assessor-collector shall keep the affidavit on file.]~~

17 (c) ~~[(d)]~~ In lieu of filing an application during a year as
18 provided by Subsection (a), the owner of a vehicle registered in any
19 state for that year or the preceding year may present the
20 registration receipt and transfer receipt, if any. The county
21 assessor-collector shall accept the receipt as an application for
22 renewal of the registration if the receipt indicates the applicant
23 owns the vehicle. This section allows issuance for registration
24 purposes only but does not authorize the department to issue a
25 title.

26 (d) The department may require an applicant for
27 registration to provide current personal identification as

1 determined by department rule. Any identification number required
2 by the department under this subsection may be entered into the
3 department's electronic titling system but may not be printed on
4 the title.

5 ~~[(e) If an owner or claimed owner has lost or misplaced the~~
6 ~~registration receipt or transfer receipt for the vehicle, the~~
7 ~~county assessor-collector shall register the vehicle on the~~
8 ~~person's furnishing to the assessor-collector satisfactory~~
9 ~~evidence, by affidavit or otherwise, that the person owns the~~
10 ~~vehicle.~~

11 ~~[(f) A county assessor-collector shall date each~~
12 ~~registration receipt issued for a vehicle with the date on which the~~
13 ~~application for registration is made.]~~

14 SECTION 26. Section 503.011, Transportation Code, is
15 amended to read as follows:

16 Sec. 503.011. PRORATING FEES. If the board ~~[commission]~~
17 prescribes the term of a general distinguishing number, license, or
18 license plate under this chapter for a period other than one year,
19 the board ~~[commission]~~ shall prorate the applicable annual fee
20 required under this chapter as necessary to reflect the term of the
21 number, license, or license plate.

22 SECTION 27. Section 503.027(a), Transportation Code, is
23 amended to read as follows:

24 (a) If a dealer ~~[person]~~ consigns for sale more than five
25 vehicles in a calendar year from a location other than the location
26 for which the dealer ~~[person]~~ holds a ~~[wholesale motor vehicle~~
27 ~~auction general distinguishing number or a dealer]~~ general

1 distinguishing number, the dealer must also hold ~~[location to which~~
2 ~~the person consigns the vehicles must have]~~ a general
3 distinguishing number for the consignment ~~[that]~~ location unless
4 the consignment location is a wholesale motor vehicle auction.

5 SECTION 28. Section 503.033(g), Transportation Code, is
6 amended to read as follows:

7 (g) This section does not apply to a person licensed as a
8 franchised motor vehicle dealer by the department ~~[department's~~
9 ~~Motor Vehicle Board]~~.

10 SECTION 29. Section 503.039, Transportation Code, is
11 amended to read as follows:

12 Sec. 503.039. PUBLIC MOTOR VEHICLE AUCTIONS. (a) A motor
13 vehicle may not be the subject of a subsequent sale at a public ~~[an]~~
14 auction by a holder of a dealer's general distinguishing number
15 unless[+

16 ~~[-1-]]~~ equitable or legal title has passed ~~[passes]~~ to
17 the selling dealer ~~[holder of a dealer's general distinguishing~~
18 ~~number]~~ before the ~~[a]~~ transfer of title to the subsequent buyer.

19 (b) The ~~[+and~~

20 ~~[-2-]the]~~ holder of a dealer's general distinguishing
21 number who sells a motor vehicle at a public auction must transfer
22 ~~[transfers]~~ the certificate of title for that vehicle to the buyer
23 before the 21st day after the date of the sale.

24 SECTION 30. Subchapter A, Chapter 520, Transportation Code,
25 is amended by adding Sections 520.003 and 520.004 to read as
26 follows:

27 Sec. 520.003. RULES; WAIVER OF FEES. The department may

1 adopt rules to administer this chapter, including rules that waive
2 the payment of fees if a dealer has gone out of business and the
3 applicant can show that fees were paid to the dealer.

4 Sec. 520.004. DEPARTMENT RESPONSIBILITIES. The department
5 has jurisdiction over the registration and titling of, and the
6 issuance of license plates to, motor vehicles in compliance with
7 the applicable statutes. The department by rule:

8 (1) shall provide services that are reasonable,
9 adequate, and efficient;

10 (2) shall establish standards for uniformity and
11 service quality for counties and dealers licensed under Section
12 520.005; and

13 (3) may conduct public service education campaigns
14 related to the department's functions.

15 SECTION 31. Section 501.137, Transportation Code, is
16 transferred to Subchapter A, Chapter 520, Transportation Code,
17 redesignated as Section 520.005, Transportation Code, and amended
18 to read as follows:

19 Sec. 520.005 [~~501.137~~]. DUTY AND RESPONSIBILITIES OF
20 COUNTY ASSESSOR-COLLECTOR. (a) Each county assessor-collector
21 shall comply with Chapter 501 [~~this chapter~~].

22 (b) An assessor-collector who fails or refuses to comply
23 with Chapter 501 [~~this chapter~~] is liable on the
24 assessor-collector's official bond for resulting damages suffered
25 by any person.

26 (c) The assessor-collector may license franchised and
27 nonfranchised motor vehicle dealers to title and register motor

1 vehicles in accordance with rules adopted under Section 520.004.
2 The county assessor-collector may pay a fee to a motor vehicle
3 dealer independent of or as part of the portion of the fees that
4 would be collected by the county for each title and registration
5 receipt issued.

6 SECTION 32. Section 502.109, Transportation Code, is
7 transferred to Subchapter A, Chapter 520, Transportation Code,
8 redesignated as Section 520.006, Transportation Code, and amended
9 to read as follows:

10 Sec. 520.006 [~~502.109~~]. COMPENSATION OF
11 ASSESSOR-COLLECTOR. (a) A county assessor-collector shall
12 receive a fee of \$1.90 for each receipt issued under Chapter 502
13 ~~[this chapter. If the assessor-collector may be compensated by~~
14 ~~fees, a fee received is compensation for services under this~~
15 ~~chapter. The assessor-collector shall deduct the fee weekly from~~
16 ~~the gross collections made under this chapter].~~

17 (a-1) A county assessor-collector collecting fees on behalf
18 of a county that has been declared as a disaster area for purposes
19 of Section 501.023 or 502.002 may retain the commission for fees
20 collected, but shall allocate the fees to the county declared as a
21 disaster area.

22 (b) A county assessor-collector who is compensated under
23 this section shall pay the entire expense of issuing registration
24 receipts and license plates under Chapter 501 or 502 ~~[this chapter]~~
25 from the compensation allowed under this section.

26 SECTION 33. Section 1001.001, Transportation Code, is
27 amended by adding Subdivision (3) to read as follows:

1 (3) "Executive director" means the executive director
2 of the department.

3 SECTION 34. Section 1001.004, Transportation Code, is
4 amended to read as follows:

5 Sec. 1001.004. DIVISIONS. The executive director ~~[board]~~
6 shall organize the department into divisions to accomplish the
7 department's functions and the duties assigned to the department
8 ~~[it, including divisions for,~~

9 ~~[(1) administration,~~

10 ~~[(2) motor carriers,~~

11 ~~[(3) motor vehicle board, and~~

12 ~~[(4) vehicle titles and registration].~~

13 SECTION 35. Subchapter A, Chapter 1001, Transportation
14 Code, is amended by adding Sections 1001.007, 1001.008, 1001.009,
15 1001.010, and 1001.011 to read as follows:

16 Sec. 1001.007. PROTECTION AND USE OF INTELLECTUAL PROPERTY
17 AND PUBLICATIONS. (a) The department may:

18 (1) apply for, register, secure, hold, and protect
19 under the laws of the United States, any state, or any nation a
20 patent, copyright, mark, or other evidence of protection or
21 exclusivity issued in or for an idea, publication, or other
22 original innovation fixed in a tangible medium, including:

23 (A) a literary work;

24 (B) a logo;

25 (C) a service mark;

26 (D) a study;

27 (E) a map or planning document;

1 (F) a graphic design;

2 (G) a manual;

3 (H) automated systems software;

4 (I) an audiovisual work; or

5 (J) a sound recording;

6 (2) enter into an exclusive or nonexclusive license
7 agreement with a third party for the receipt of a fee, royalty, or
8 other thing of monetary or nonmonetary value for the benefit of the
9 department;

10 (3) waive or reduce the amount of a fee, royalty, or
11 other thing of monetary or nonmonetary value to be assessed if the
12 department determines that the waiver will:

13 (A) further the goals and missions of the
14 department; and

15 (B) result in a net benefit to the state; and

16 (4) adopt and enforce rules necessary to implement
17 this section.

18 (b) Money collected by the department under this section
19 shall be deposited to the credit of the state highway fund for use
20 by the department in supporting the department's operations and the
21 administration of the department's functions.

22 Sec. 1001.008. DONATIONS AND CONTRIBUTIONS. (a) Except as
23 provided by Subsection (b), for the purpose of carrying out its
24 functions and duties, the board may accept a donation or
25 contribution in any form, including real or personal property,
26 money, materials, or services.

27 (b) The board may not accept a donation or contribution from

1 an entity or association of entities that it regulates.

2 (c) The board by rule may delegate acceptance of donations
3 or contributions under \$500, or not otherwise required to be
4 acknowledged in an open meeting, to the executive director.

5 Sec. 1001.009. COLLECTION OF FEES FOR DEPARTMENT GOODS AND
6 SERVICES. (a) The board may adopt rules regarding the method of
7 collection of a fee for any goods sold or services provided by the
8 department or for the administration of any department program.

9 (b) Goods sold and services provided under Subsection (a)
10 include department publications and the issuance of licenses,
11 permits, and registrations.

12 (c) The rules adopted under Subsection (a) may:

13 (1) authorize the use of electronic funds transfer or
14 a valid debit or credit card issued by a financial institution
15 chartered by a state, the United States, or a nationally recognized
16 credit organization approved by the department; and

17 (2) require the payment of a discount or service
18 charge for a credit card payment in addition to the fee.

19 (d) Revenue generated from the collection of discount or
20 service charges under Subsection (c) shall be deposited to the
21 credit of the state highway fund for use by the department in
22 supporting the department's operations and the administration of
23 the department's functions.

24 Sec. 1001.010. AUTHORITY TO CONTRACT. (a) The department
25 may enter into an interlocal contract with one or more local
26 governments in accordance with Chapter 791, Government Code.

27 (b) The board by rule shall adopt policies and procedures

1 consistent with applicable state procurement practices for
2 soliciting and awarding a contract under this section.

3 Sec. 1001.011. EDUCATIONAL CAMPAIGNS AND TRAINING. The
4 department may conduct public service educational campaigns
5 related to its functions.

6 SECTION 36. Subchapter B, Chapter 1001, Transportation
7 Code, is amended by adding Section 1001.0221 to read as follows:

8 Sec. 1001.0221. BOARD; DUTIES. (a) The board shall oversee
9 and coordinate the development of the department and shall ensure
10 that all components of the motor vehicle industry function as a
11 system.

12 (b) The board shall carry out its policy-making functions in
13 a manner that protects the interests of the public and industry,
14 maintains a safe and sound motor vehicle industry, and increases
15 the economic prosperity of the state.

16 SECTION 37. Section 1001.023, Transportation Code, is
17 amended to read as follows:

18 Sec. 1001.023. CHAIR AND VICE CHAIR; DUTIES. (a) The
19 governor shall appoint one of the board's members chair of the
20 board. The chair serves at the pleasure of the governor. The board
21 shall elect one of its members vice chair of the board. The [A
22 ~~chair or~~] vice chair serves at the pleasure of the board.

23 (b) The chair shall:

24 (1) preside over board meetings, make rulings on
25 motions and points of order, and determine the order of business;

26 (2) represent the department in dealing with the
27 governor;

1 (3) report to the governor on the state of affairs of
2 the department at least quarterly;

3 (4) report to the board the governor's suggestions for
4 department operations;

5 (5) report to the governor on efforts, including
6 legislative requirements, to maximize the efficiency of department
7 operations through the use of private enterprise;

8 (6) periodically review the department's
9 organizational structure and submit recommendations for structural
10 changes to the governor, the board, and the Legislative Budget
11 Board;

12 (7) designate one or more employees of the department
13 as a civil rights division of the department and receive regular
14 reports from the division on the department's efforts to comply
15 with civil rights legislation and administrative rules;

16 (8) create subcommittees, appoint board members to
17 subcommittees, and receive the reports of subcommittees to the
18 board as a whole;

19 (9) appoint a member of the board to act in the
20 ~~chair's~~ absence of the chair and vice chair; and

21 (10) serve as the departmental liaison with the
22 governor and the Office of State-Federal Relations to maximize
23 federal funding for transportation.

24 SECTION 38. Section 1001.031, Transportation Code, is
25 amended by amending Subsection (a) and adding Subsections (a-1) and
26 (f) to read as follows:

27 (a) The board shall retain or establish one or more

1 ~~[separate]~~ advisory committees ~~[for the motor carrier, motor~~
 2 ~~vehicles, and vehicle titles and registration divisions]~~ to make
 3 recommendations to the board or the executive director ~~[on the~~
 4 ~~operation of the applicable division]~~. A committee has the
 5 purposes, powers, and duties, including the manner of reporting its
 6 work, prescribed by the board. A committee and each committee
 7 member serves at the will of the board.

8 (a-1) Section 2110.002, Government Code, does not apply to
 9 an advisory committee established under this section.

10 (f) The meetings of an advisory committee shall be made
 11 accessible to the public in person or through electronic means.

12 SECTION 39. Subchapter C, Chapter 1001, Transportation
 13 Code, is amended by adding Section 1001.0411 to read as follows:

14 Sec. 1001.0411. EXECUTIVE DIRECTOR; DUTIES. (a) The board
 15 shall appoint an executive director to serve at the pleasure of the
 16 board. The executive director shall perform all duties assigned by
 17 the board.

18 (b) The executive director may delegate duties or
 19 responsibilities as the executive director considers appropriate,
 20 provided the delegation does not conflict with applicable law or a
 21 resolution of the board.

22 SECTION 40. Chapter 1001, Transportation Code, is amended
 23 by adding Subchapter D to read as follows:

24 SUBCHAPTER D. ELECTRONIC ISSUANCE OF LICENSES

25 Sec. 1001.101. DEFINITIONS. In this subchapter:

26 (1) "Digital signature" means an electronic
 27 identifier intended by the person using it to have the same force

1 and effect as the use of a manual signature.

2 (2) "License" includes:

3 (A) a motor carrier registration issued under
4 Chapter 643;

5 (B) a motor vehicle dealer, salvage dealer,
6 manufacturer, distributor, representative, converter, or agent
7 license issued by the department;

8 (C) specially designated or specialized license
9 plates issued under Chapter 504; and

10 (D) an apportioned registration issued according
11 to the International Registration Plan under Section 502.054.

12 Sec. 1001.102. APPLICATION FOR AND ISSUANCE OF LICENSE.

13 The board by rule may provide for the filing of a license
14 application and the issuance of a license by electronic means.

15 Sec. 1001.103. DIGITAL SIGNATURE. (a) A license

16 application received by the department is considered signed if a
17 digital signature is transmitted with the application and intended
18 by the applicant to authenticate the license in accordance with
19 Subsection (b).

20 (b) The department may only accept a digital signature used
21 to authenticate a license application under procedures that:

22 (1) comply with any applicable rules of another state
23 agency having jurisdiction over department use or acceptance of a
24 digital signature; and

25 (2) provide for consideration of factors that may
26 affect a digital signature's reliability, including whether a
27 digital signature is:

- 1 (A) unique to the person using it;
2 (B) capable of independent verification;
3 (C) under the sole control of the person using
4 it; and
5 (D) transmitted in a manner that makes it
6 infeasible to change the data in the communication or digital
7 signature without invalidating the digital signature.

8 SECTION 41. Chapter 1003, Transportation Code, is amended
9 by adding Section 1003.005 to read as follows:

10 Sec. 1003.005. DELEGATION OF POWER. (a) The board by rule
11 may delegate any power relating to a contested case hearing, other
12 than the power to issue a final order, to:

- 13 (1) one or more of the board's members;
14 (2) the executive director;
15 (3) the director of a division of the department; or
16 (4) one or more of the department's employees.

17 (b) The board by rule may delegate the authority to issue a
18 final order in a contested case hearing to:

- 19 (1) one or more of the board's members;
20 (2) the executive director; or
21 (3) the director of a division within the department

22 designated by the board or the executive director to carry out the
23 requirements of this chapter.

24 (c) The board by rule may delegate any power relating to a
25 complaint investigation to any person employed by the department.

26 SECTION 42. Section 264.502(b), Family Code, is amended to
27 read as follows:

(b) The members of the committee who serve under Subsections (a)(1) through (3) shall select the following additional committee members:

(1) a criminal prosecutor involved in prosecuting crimes against children;

(2) a sheriff;

(3) a justice of the peace;

(4) a medical examiner;

(5) a police chief;

(6) a pediatrician experienced in diagnosing and treating child abuse and neglect;

(7) a child educator;

(8) a child mental health provider;

(9) a public health professional;

(10) a child protective services specialist;

(11) a sudden infant death syndrome family service provider;

(12) a neonatologist;

(13) a child advocate;

(14) a chief juvenile probation officer;

(15) a child abuse prevention specialist;

(16) a representative of the Department of Public Safety; and

(17) a representative of the Texas Department of Transportation [~~Motor Vehicles~~].

SECTION 43. Section 2110.002, Government Code, is amended by adding Subsection (c) to read as follows:

1 (c) This section does not apply to an advisory committee
2 established by the Texas Department of Motor Vehicles.

3 SECTION 44. (a) The following provisions are repealed:

4 (1) Section 2054.270, Government Code;

5 (2) Sections 2301.105, 2301.106, and 2301.206,
6 Occupations Code;

7 (3) Sections 503.033(c), 1001.031(c) and (d), and
8 1004.003, Transportation Code; and

9 (4) Sections 504.403, 504.404, and 504.406,
10 Transportation Code.

11 (b) Section 6.03(c), Chapter 933 (H.B. 3097), Acts of the
12 81st Legislature, Regular Session, 2009, is repealed.

13 SECTION 45. This Act takes effect September 1, 2011.

H.B. No. 2017

David Dewhurst

President of the Senate

Joe Straus

Speaker of the House

I certify that H.B. No. 2017 was passed by the House on April 20, 2011, by the following vote: Yeas 144, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2017 on May 25, 2011, by the following vote: Yeas 138, Nays 1, 2 present, not voting

Robert Haney

Chief Clerk of the House

I certify that H.B. No. 2017 was passed by the Senate, with amendments, on May 21, 2011, by the following vote: Yeas 31, Nays 0.

Sally Spaw

Secretary of the Senate

APPROVED: 17 Jun '11

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
JUN 17 2011

John M. Edwards
Secretary of State